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BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

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26 November 1956

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE

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SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

Summary of Events, 6-19 November 1956.

The most significant features of the Sino-Soviet Bloc effort to expand economic relations with the Free World during the period 6-19 November 1956 were the acceptance by India of a long-term credit for US \$126 million from the USSR; a report that Italy is considering a Soviet oil-Sicilian sulfur trade; and the cancellation of Soviet shipments of oil to Israel, a move designed to impress the Arab countries.

Other significant features of the Sino-Soviet Bloc economic drive include the following:

1. A sharply increased effort to enlarge economic relations with Japan distinguished by statements of a Soviet desire for Japanese industrial products, by the success of a Japanese trade fair held in Peiping, and by the signing of an agreement to export Japanese fertilizer to Communist China.
2. The arrival in Burma of a Soviet economic mission to discuss the development and construction of agricultural and industrial projects.
3. Increased activities in the Middle East including Bloc participation in the International Trade Fair in Tunis, the signing of a contract by Bulgaria to build grain elevators in Syria, and a Soviet offer of a \$200-million credit to Turkey. All previous similar offers have been rejected by Turkey.
4. A successful industrial exposition in Montevideo aiding the attempt by Czechoslovakia to increase trade in Uruguay. Another Latin American country, Paraguay, has indicated a desire to sever its present limited trade ties with the Bloc.

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